## SENATE BILL 28

## By Watson

AN ACT to amend Tennessee Code Annotated, Title 49, relative to charter schools.

## BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 49-13-106, is amended by deleting the section in its entirety and by substituting instead the following:

(a)

- (1) Public charter schools may be formed to provide quality educational options for students.
- (2) Priority in the prospective student population shall be given to, but the prospective student population need not be limited to:
  - (A) Students who were previously enrolled in a charter school;
  - (B) Students who are assigned to, or were previously enrolled in, a school failing to make adequate yearly progress, as defined by the state's accountability system, giving priority to at-risk students;
  - (C) Students who, in the previous school year, failed to test proficient in the subjects of language arts/reading or mathematics in grades three through eight (3-8) on the Tennessee comprehensive assessment program examinations;
  - (D) Students who, in the previous school year, failed to test proficient on the gateway examinations in language arts/reading or mathematics:

- (E) Students in grades kindergarten through three (K-3) who are eligible for free or reduced-price lunch, who may only be enrolled no earlier than August 1; or
- (F) Students who are under the jurisdiction of a juvenile court and who, in the court's judgment, would benefit from a work experience and career exploration program. The proposed public charter school shall, in addition to complying with the application requirements of § 49-13-107, apply to the commissioner of education for approval of its proposed work experience and career exploration program.
- (3) First priority status shall be give to eligible students who meet the requirements set out in subdivisions (a)(2)(A)-(D). The LEA shall provide notification to parents of students eligible under subdivisions (a)(2)(B), (C) and (D). Second priority status shall be given to students eligible under subdivision (a)(2)(E). After enrollment of students meeting the above priorities, a charter school may enroll any student.
- (b) A public charter school may be formed by creating a new school or converting an eligible public school to charter status pursuant to the provisions of this chapter.
  - (1) Newly created public charter schools:
  - (A) The sponsor of a public charter school shall file a public charter school application with the local board of education on or before
    October 1 of the year preceding the year in which the proposed public charter school plans to begin operation.
  - (B) Upon approval of a charter application, the sponsor shall authorize a governing body to operate the public charter school. A public

- 2 - 00065062

charter school shall be operated by a not-for-profit organization with exemption from federal taxation under 501(c)(3) of the Internal Revenue Code. No charter shall be granted to a for-profit corporation.

- (2) Conversion of schools to charter status:
- (A) A public school may convert to a public charter school pursuant to the provisions of this chapter if the parents of sixty percent (60%) of the children enrolled at the school or sixty percent (60%) of the teachers assigned to the school agree and demonstrate support by signing a petition seeking conversion and the LEA agrees to the conversion. The percentage of parents signing a petition shall be calculated on the basis of one (1) vote for each child enrolled in the school. Parents whose children are enrolled at the school shall have the option to enroll their child in another public school without penalty.
- (B) An LEA may convert a public school to a public charter school. Parents whose children are enrolled at the school shall have the option to enroll their child in another public school without penalty. An LEA's decision on whether to convert an eligible public school may not be appealed to the state board of education.

(C)

- (i) The conversion shall occur at the beginning of an academic school year and shall be subject to compliance with this chapter.
- (ii) At the time of conversion to a charter school, any teacher or administrator in the charter school shall be allowed to transfer into vacant positions for which they are certified in other

- 3 - 00065062

schools in the school system prior to the hiring of new personnel for those positions. Such personnel who transfer into vacant positions in other schools in the school system shall suffer no impairment, interruption, or diminution of the rights and privileges of a then existing teacher or administrator, and such rights and privileges shall continue without impairment, interruption or diminution with the local board of education. "Rights and privileges," as used in this subdivision (b)(2)(C)(ii), include, but are not limited to, salary, pension or retirement benefits, sick leave accumulation, tenure, seniority, and contract rights with the local board of education. The director of schools shall have the option to specifically assign these teachers or administrators to those vacant positions.

(c)

- (1) No charter agreement shall be granted under this chapter that authorizes the conversion of any private, parochial, cyber-based, or home-based school to charter status.
  - (2) No cyber-based public charter school may be authorized.
- (d) Nothing in this chapter shall be construed to prohibit any individual or organization from providing funding or other assistance to the establishment or operation of a public charter school, but such funding or assistance shall not entitle the individual or organization to any ownership interest in the school other than a security interest for repayment of a loan or mortgage. Any such funding or assistance shall be disclosed as provided in § 49-13-107(20).

SECTION 2. Tennessee Code Annotated, Section 49-13-108, is amended by deleting the language "§ 49-13-106(b)(1)(C)" and by substituting instead the language "§ 49-13-106(b)(1)".

SECTION 3. Tennessee Code Annotated, Section 49-13-108(2), is amended by deleting the first sentence of the subdivision in its entirety.

SECTION 4. This act shall take effect July 1, 2009, the public welfare requiring it.

- 5 - 00065062